

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3686
ANSWERED ON:27.04.2007
OPENING OF BRANCHES OF RURAL BANK
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken any steps for opening branches of rural banks in the uncovered districts of the country;
- (b) ifso, the details thereof;
- (c) the names of incovered districts in the country where the branches of rural banks are proposed to be opened during 2007-08; and
- (d) the time by which these bank branches are likely to be opened?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAW AN KUMAR BANSAL)

(a) & (b):- In pursuance of the Budget announcement in this regard for the year 2007-08, RRBs have been advised to uidertaks an aggressive branch expansion programme and open at least one branch in each of the uncovered districts of the country. All the Regional Offices of NABARD have been advised to :

* To guide the RRBs to prefer applications for extension of area of operation to uncovered districts in the Slate.

* To convene State Level Coordination Review Committee (SLCRC) meetings immediately and based on the consensus arrived at, to allocate such of the uncovered districts to RRBs keeping in view factors like financial health, business level, convenience of operation, etc. o: RRBs

* To monitor the receipt of applications for branch licence and furnish the same to the Empowered Corimmittee of RBI for its approval for opening the branch at the earliest.

(c) & (d):- Of the uncaverged districts, notifications have already been issued to cover 15 districts as indicated in the Annuxure-I. Further, proposals are under consideration to cover 16 districts as indicated in the Annexure-II and the notifications for the same will be issued shortly. As per the Budget Announcement 2007-08 in this regard, efforts will be made to cover all the uncovered districts during the Financial Year 2007-08, On the extension of area to uncovered districts, RRB branches will be opened in these Districts.